

A. Purpose of this RFO

The primary functions of the Department of Finance (Finance) are to prepare, enact, and administer the state's annual financial plan (budget); establish appropriate fiscal policies to carry out the state's programs; develop and maintain the California State Accounting and Reporting System (CALSTARS); and monitor/audit expenditures by state departments to ensure compliance with law, approved standards, and policies.

In 2001 Finance established a new unit, currently called the Budget Systems Development Unit (BSDU), to document Finance's budget development processes, propose changes to those processes through a business process re-engineering study, and prepare a Feasibility Study Report (FSR) to replace its legacy systems. The team was charged with exploring ways to improve the efficiency and quality of those processes through the appropriate use of new technologies.

The business process re-engineering study was finalized in March 2005 and a FSR (available at http://www.dof.ca.gov/HTML/BIS/BIS_Home.asp) was completed and approved in July 2005 to formally initiate the Budget Information System (BIS) Project. The project plan identified the replacement of Finance's existing legacy budget systems with an enterprise wide commercial-off-the-shelf (COTS) budget information system that will be implemented by a system integrator.

While Finance is aware that some state departments have implemented enterprise resource planning (ERP) systems, recently approved FSRs identified that additional departments are initiating the process to acquisition an ERP of their own. Given the trend of departments independently implementing ERPs, Finance proposed to leverage the state's resources by including accounting functionality in BIS, thereby expanding the scope of the BIS Project from a budget system to a statewide financial management system. With the expansion of BIS and the development of the statewide Human Resource Management System (HRMS) by the State Controller's Office, the state would be establishing a platform where procurement and asset management/inventory functionality could easily be incorporated into the state enterprise. The concept for the statewide financial system was approved by the Governor's Office in April 2006. Finance is currently in the process of preparing a Special Project Report (SPR) for this expanded scope. While working on the SPR, Finance will continue to gather requirements for the budget component as originally approved in the FSR.

The comprehensive statewide financial management system will begin with the implementation of the budget component that will support the state's fiscal and policy decision processes and the budget development and administration needs of selected departments. When fully implemented, BIS will support the budget development and administration and accounting needs of departments and agencies. The BIS Project will also address various information and budget deliberation needs of the Legislature. To support this transition, Finance must hire a project manager to oversee the day-to-day management of all phases and activities of the BIS Project to ensure that the project is completed within scope, on time, and within budget. Working closely with the BIS Project Director, the project manager will manage an integrated project team that consists of both internal Finance teams and external vendor teams retained by Finance for the procurement, development, integration and implementation of an enterprise-wide solution. The project manager will report directly to the BIS Project Director and the Project Sponsor will have the ultimate authority of BIS to ensure that statutory requirements are met.

In addition to the day-to-day management of the BIS Project, Finance has a need to establish a project office. Because Finance is a small department, we do not have a formalized project office for support of information technology projects. While Finance does not have an established project office, the BSDU has successfully implemented two systems that support the budget development and presentation processes under the direction of the BIS Project Director. The eBudget project, a collaborative effort implemented through the combined efforts of Finance's BSDU, Information Services, and Budget Units and an experienced web developer, has been recognized by both the National Association of State Budget Officers and the Center for Digital Government through the receipt of two awards.

The BSDU has provided project oversight under the leadership and direction the BIS Project Director. The BSDU is comprised of five staff with over 75 years of combined experience in state budgeting and accounting functions, including CALSTARS implementation and support, and nearly 30 years of information technology experience, primarily with Finance legacy budget systems. In addition to the dedicated personnel identified above, subject matter experts from a cross section of budget and accounting offices, including CALSTARS staff, will support various project phases through their participation in requirements definition and validation, joint application design sessions, training, testing, and implementation.

B. Scope of the RFO and MSA Vendor Admonishment

This RFO contains the instructions governing the requirements for an offer to be submitted by interested Master Service Agreement (MSA) vendors, the format in which offer information is to be submitted and the material to be included therein, the requirements that must be met to be eligible for consideration, and MSA vendors' responsibilities.

Responses to this RFO will be evaluated based on the best value to the state. Best value to the state is the offer that best meets and potentially exceeds the state's administrative and business requirements at the most reasonable overall cost to implement and operate. MSA vendors should carefully read the entire RFO, paying close attention to Section IV Cost Worksheets and Section VI Offer Evaluation to ensure the MSA vendor understands the evaluation process.

Issuance of this RFO in no way constitutes a commitment by the State of California to award a contract. The state reserves the right to reject any or all offers received if the state determines that it is in the state's best interest to do so.

If a MSA vendor expects to be afforded the benefits of the steps included in this RFO, the MSA vendor must take the responsibility to:

- Carefully read the entire RFO;
- If clarification is necessary, ask questions in a timely manner;
- Submit all required responses, complete to the best of MSA vendors ability, by the required dates and times;
- Make sure that all procedures and requirements of the RFO are accurately followed and appropriately addressed; and,
- Carefully reread the entire RFO before submitting each offer.

Failure to respond completely to all portions of this RFO and/or addenda may disqualify the MSA vendor's offer.

C. Written Questions

All questions regarding the content of this RFO may be submitted by e-mail, and must be received by the date indicated in [Table I-1 — Key Action Dates identified below](#). Questions may be submitted via e-mail to:

Vicki Huntsman
State of California, Department of Finance
915 L Street, Room G390
Sacramento, CA 95814
[Email](mailto:vicki.huntsman@dof.ca.gov) address: vicki.huntsman@dof.ca.gov
Phone number: (916) 445-1986 ext. 3053

Questions not submitted in writing by the deadline shall be answered at the state's option.

When the state has completed its review of the questions, all of the questions and answers will be e-mailed to all vendors that have submitted a Letter of Intent. If needed, an addendum will be issued and the MSA vendors will have five (5) business days to ask questions about changes made in the addendum.

Deleted: 5:00 p.m. PST on

Deleted: the

D. Contract Award Exclusion

A contract for a Chart of Accounts (COA)/Acquisition Specialist (RFP DOF-BIS-010) has been bid and awarded. A procurement for an Independent Project Oversight/Verification & Validation consultant (IPOC/IV&V) pertaining to the BIS Project is also scheduled. The vendor awarded any of these contracts is precluded from being eligible for award of other contracts pertaining to the BIS Project.

E. Procurement Official

The Procurement Official for questions or submitting offers is:

Lisa Keeler
State of California, Department of Finance
915 L Street, Room G390
Sacramento, CA 95814
[Email](mailto:lisa.keeler@dof.ca.gov) address: lisa.keeler@dof.ca.gov
Phone number: (916) 445-1986 ext. 3041

F. Key Action Dates

Listed below are the key activities, actions, dates and times by which the activities must be taken or completed for this RFO. If the state finds it necessary to change any of these dates, it will be accomplished via an addendum to this RFO.

ALL DATES AFTER THE SUBMISSION OF FINAL OFFERS ARE APPROXIMATE AND MAY BE ADJUSTED AS CONDITIONS INDICATE, WITHOUT ADDENDUM TO THIS RFO.

Table I-1 – Key Action Dates

Item	Action	Date
1	Release Request for Offer (RFO)	7/31/06
2	Submission of Letter of Intent (Exhibit III-A), and Conflict of Interest/Confidentiality Certification (Exhibit III-B) by 3:00 pm PST. Submit to: Department of Finance, Business Services 916 L Street, Room G390, Sacramento, CA 95814	9/1/06
3	Submission of questions by 3:00 pm PST. Submit to: Department of Finance, Business Services 916 L Street, Room G390, Sacramento, CA 95814	9/4/06
4	Submission of final offer by 3:00 pm PST. Submit to: Department of Finance, Business Services 915 L Street, Rm. G390, Sacramento, CA 95814	9/12/06
5	Vendor Presentations/Interviews and Customer References	9/19/06 – 9/22/06
6	Award Contract	9/29/06

Deleted: 8/10

Deleted: 8/14

Deleted: 8/28

Deleted: 11

Deleted: 15

Deleted: 27

G. Letter of Intent

MSA vendors must possess at a minimum the experience, knowledge, skills, abilities, and certifications listed in Section II to be considered responsive to this RFO. Any MSA vendor that intends to respond to this RFO must submit a Letter of Intent (Exhibit III-A), stating their intention by the date identified in Table I-1 – Key Action Dates above.

H. Confidentiality

To preserve the integrity of the security and confidentiality of Finance and the BIS Project, each MSA vendor is required to sign the Conflict of Interest/Confidentiality Certification (Exhibit III-B) and submit the certification to Finance with the Letter of Intent by the date identified in Table I-1 – Key Action Dates above.